GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:87
ANSWERED ON:29.11.2012
PRODUCTION OF FERTILIZERS
Singh Shri Ratan;Virendra Kumar Shri

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the quantum of production of fertilizers including urea in the country during each of the last three years and the current year, company-wise

(b) whether the production of fertilizers is less than its demand in the country (

(c) if so, the details thereof and the reasons therefor ; and

(d) the steps being taken by the Government to meet the demand of fertilizers in the country ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (d): A Statement is laid on the Table of House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 87 TO BE ANSWERED ON 29.11.2012 REGARDING PRODUCTION OF FERTILIZERS.

(a) : The quantum of production of fertilizers including urea in the country during last three years and current year, company −wise is attached.

(b)& (c): The total demand and production of major fertilizers namely Urea, DAP, MOP and Complexes is given in the table below :-

(In Lakh Metric Tonnes)

Sl. No.	Product	Year							
		2009-10			2010-11			2011-12	
		Demand	Prod.	Gap	Demand	Prod.	Gap	Demand	Prod.	Gap
1.	Urea	282	211	71	291	219	72	304	220	84
2.	DAP	107	42	65	121	35	86	126	40	86
3.	MOP	44	-	44	48	-	48	48	-	48
4.	Complexes	88	80	8	92	87	5	107	78	29

As can be seen from the above table, the demand of various fertilizers far exceeds the domestic production. The major reason for the gap in production and demand primarily is the shortage of assured gas feedstock for production of urea and acute limitation of rock phosphate and potash in the country for manufacturing of Phosphatic and Potassic fertilizers.

(d) In order to encourage investments in the urea sector, Government is considering a New Investment Policy which is likely to add additional urea capacity of 7 to 8 million tonnes. In order to encourage indigenous production of P&K fertilizers, NBS policy has been implemented w.e.f. 01.04.2010 which has allowed the industry to grow in a liberalised policy regime and with the freedom to fix the MRPs of P&K fertilisers, competitively. The Government is also encouraging the private and public sector to explore the possibilities of joint ventures abroad for mining and production in the P&K sector. However, in the short term, the gap between the demand and indigenous production of all fertilizers will continue to be met through imports on regular basis.